



## INFORMATION STATEMENT

SHEPHERDS GROUND PTY LTD

**Shepherds Ground Farm and Village**

THIS STATEMENT IS VALID AS AT NOVEMBER 2019

### **VISION**

To create a place for the renewal of rural village life with small viable farming ventures and businesses, sustainable clustered housing and simplified living that stimulates cultural expression, listening to the land and connectedness to country.

## Overview

This document provides information for prospective shareholder members in the land-share initiative known as Shepherds Ground Farm and Village. It should be read in conjunction with the Constitution, the Disclosure Statement and the Community Management Statement. Other documents are available and should be accessed to ensure maximum confidence that this is the right decision for you.

The development has been established under State Environmental Planning Policy 15 (SEPP15) (now repealed) that facilitated the development of rural land-sharing communities committed to environmentally sensitive and sustainable land use practices.

The housing hub consists of 27 house sites and a Common Area confined to 5 of the total 112 hectares. The Development Consent allows for three additional dwellings. The remainder of the land is to be utilised for sustainable farming practices based on organic and biodynamic principles and for the rehabilitation of ecological corridors and native habitat restoration. The initiative will provide opportunities for an array of land-based and social enterprise development.

## Company Details

**Name:** Shepherds Ground Pty Ltd

**ABN:** 83600 769 033

**Registered Office:** 15 Green Wattle Creek Road, Butterwick 2321

**Mailing Address:** 15 Green Wattle Creek Road, Butterwick 2321

**Email:** [info@shepherdsground.com](mailto:info@shepherdsground.com)

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## 1. About This Document

This document sets out information to assist inquirers to make an informed decision regarding membership of Shepherds Ground and to be informed of the nature and extent of their responsibilities upon becoming a member of Shepherds Ground Pty Ltd (hereafter referred to as “the company”).

It is not possible for this document to include all material relevant to all circumstances. It may not set out a full statement of the financial responsibility and liability of you as a prospective member. Prospective members are advised to make any investigations, which they believe necessary to satisfy themselves about the contents of all company documentation or the decision to join the company. Prospective members are encouraged to exercise the due diligence that they would undertake if buying a house. They are advised to obtain independent professional advice.

This document should not be considered as a recommendation to become a shareholder member of the company. To the maximum extent permitted by law, the company, its directors, officers, employees, advisors and consultants and their associated companies, businesses, partners, directors, officers and employees accept no liability or responsibility for any loss or damage (however caused including and without limitation for negligence) arising from reliance placed on the information contained in this and other company documents.

This information statement including the appendices sets out all information that may be relevant to the proposal to the best of our knowledge.

## 2. Other documentation

The following company documentation will be made available if the process towards application proceeds:

- Constitution
- Community Management Statement
- Licence Agreement
- Development Consent
- Disclosure Statement
- Master Plan and Landscaping Plan
- Statement of Environmental Effects for the development
- Financial Statements from previous years
- Organisation Budgets for next 5 years
- Building Code
- Member Agreement
- Minutes of most recent Annual General Meeting

## 3. Definitions and Acronyms

**Section 94:** Section 94 of the Environmental Planning and Assessment Act 1979 (EP&A Act), enables local councils or other consent authorities to levy monetary contributions for public amenities required because of development.

**Shareholder:** The terms shareholder and member are used interchangeably in this document. A shareholder is a member and a member is a shareholder.

**Member:** A member is a shareholder – see Shareholder.

**SEPP 15:** State Environmental Planning Policy number 15 Rural Land Sharing Communities

<https://legislation.nsw.gov.au/EPIs/1998-206.pdf>

**Rules of the Company:** Rules of the company is the constitution.

## 4. Organisation purpose

As individuals and communities, we are both diverse and interdependent. For human life to be sustainable we need to accept our diversity and work creatively and effectively with each other. The creation of opportunities for working on projects and tasks immediately connected with providing for our needs and expressing our diverse skills may offer a more meaningful and satisfying life when connected to the natural world around us.

Individually and as a society, we need to significantly simplify our lives and reduce our ecological footprint. Impacts of our current human activities – over-consumption of fossil fuels, water and material goods and related degradation of soil and impacts on biodiversity - all need to be minimised. By our actions, we can also contribute to enhancing the environment and human life.

### 4.1. Objectives of the company

The objects of the company are:

1. To purchase land for the purposes of creating and managing a permanent farming and rural village;
2. To construct or permit the construction of dwellings for habitation by members of the village;
3. To develop the land using processes, procedures and technology to establish a rural farming village that promotes and enhances social, environmental and economic sustainability; and
4. To carry out such other functions and purposes which are necessary or incidental to the objects of the company.

The company will ensure that most of the land will be used primarily for agricultural pursuits, small allotment enterprises and environmental conservation and enhancement purposes. In addition to primary production activities, value-adding activities will be undertaken wherever possible by members.

It is anticipated that individual farmers and entrepreneurs will have their own businesses, but the company will raise money from the lease of land and infrastructure and the use of the company brand.

The types of enterprises envisaged are not limited but may include:

- A variety of market garden enterprises
- Beef cattle grazing and other agistment;
- Meat and egg poultry;
- Pigs and lambs for meat;
- A commercial kitchen, incorporating value-added products from the site;
- Apiary
- Native plant species propagation

### 4.2. Primary Activities

The primary activities of the company are:

- To design, develop and establish a rural farming village community.

- To provide and manage agricultural land, housing lots and associated gardens and community facilities.
- To maintain, upgrade or renew community facilities and assets.
- To promote and support sustainable agriculture and rural land-sharing models, and a movement for the renewal of rural village living.
- To facilitate working collectively to achieve common goals in a productive manner.

The company carries out its primary activities as follows:

- Continue to seek new members and raise share capital until the application for residential lots is fully subscribed.
- Developing the village site. All housing sites are now ready for building.
- Developing a farm plan and farming code
- Raising funds for further development of community facilities

## 5. History

The Shepherds Ground Farm and Village concept was developed by Lucie Bruvel who steered the concept from an initial vision to reality: researching options, consulting with other land-share groups, raising funds and engaging specialists.

Note that the company has recognised the risks taken and the investment of Lucie's time and income earning capacity by issuing her with 1 member and 77,000 ordinary shares.

The initial vision of the project was to establish a cooperative that would develop the land to support viable farming enterprises and associated value-adding enterprises. We wanted to establish a multi-generational village with a vibrant community life, integrated within farming life.

In 2012 Cum Granos Salis Pty Ltd was established as a not-for-profit company with the aim of establishing the feasibility of the project and securing the land for purchase, conditional on securing Development Consent. Pre-development application approval was gained in August 2013. The Development Application was submitted in March 2014 and unanimously approved by Port Stephens Council in October 2014. The consent included 27 dwellings, a village hub that included a community centre and three shared housing facilities. Note that the development of the village hub is dependent on our ability to raise funds. At this stage it has not been budgeted for.

In July 2014, Shepherds Ground Pty Ltd was established and Cum Granos Salis ceased its business activities.

In March 2015, the company purchased the land with capital raised from the sale of shares to 16 members and peer-to-peer loans.

Since then we have had to respond to diverse challenges:

- Determining what our management structure would be. It was not possible to establish a cooperative within the time constraints for purchasing the land, so a company was created. The company was established with clauses to prevent shareholders from making a profit from selling the shares with the hope that we could keep entry costs for future members reasonable.
- How to manage the project with limited resources and complex issues to resolve, aiming to maximise consultation and transparency, and ensure effective decision making.
- What decision making processes suit us: consensus, collective, majority or other alternatives?
- How do we appropriately align responsibilities, accountability and power?

- Creating cohesive community relationships while incorporating the different aspirations and perspectives brought by members
- How to attract young people and families when the conditions of the zoning (SEPP15) make it difficult to raise loans from conventional lending bodies because individual titles are not allowed
- Constructing costly infrastructure such as roads, grey water system and farming infrastructure

To date we have:

- Raised funds through membership and peer-to-peer loans
- Initiated bush regeneration planting the western windbreak, regeneration of riparian areas
- Supported individual members trialling crop and livestock options
- Constructed the village grey water system and network
- Completed internal roads
- Upgraded a large garage to serve as a comfortable community space and kitchen
- Negotiated an arrangement with Port Stephens Council for sealed road upgrade to 400 metres of Green Wattle Creek Rd
- Established four key working groups to share the project development workload.
- Sold 23 of the available member shareholdings Established a community which is multi-generational. There are families with young children and teenagers, several members are grandparents and some households are single people. We already have three households living on the site, with two further houses nearing completion and four other members are planning to build shortly.

## 6. Information about the Property

### 6.1. Geographical Location

The Property is located at 15 Green Wattle Creek Road, Butterwick, NSW, 2321, which is in the Port Stephens Local Government Area inland from the coastal regions of the Hunter Valley of NSW. The Property is located 15km from Maitland and 45km from Newcastle. An ephemeral creek passes through the property from north to south.

### 6.2. Local Area Information

The Hunter Valley is rich in diversity, from dune and estuarine systems in the east, to river valleys and undulating hills in the west. The great diversity of natural landscapes provides the opportunity for unique environmental features including national parks, nature reserves, state forests and water catchment areas. The climate is warm temperate, with average temperatures in January between 19.5° to 27.2°C and in July 7.7°C to 17.2°C. Temperatures can reach a maximum of 44° and a minimum of zero. Average annual rainfall is 1,103 mm.

Surrounding properties include a small cattle farm; a large biobank and 200 acres of bush that is crown land, some of which is used for a pony club. A crown land road located at the northern end of the property is shared by neighbouring property owners.

### 6.3. Zoning

The land is zoned RU2 Rural pursuant to Port Stephens Shire Council Local Environmental Plan 2013 (LEP 2013).



Notwithstanding, it is noted that the development application was approved under the provisions of State Environmental Planning Policy No. 15 - Rural Land Sharing Communities (SEPP 15) and the proposed development meets the requirements of SEPP 15.

Compliance with the requirements of SEPP 15 is detailed in the Statement of Environmental Effects approved by council in October 2014. Consideration has been given to the current zone objectives and any relevant clauses in LEP 2013 including (but not limited to) where SEPP 15 does not prevail.

#### 6.4. SEPP 15 Restriction on Land Use

SEPP 15 was created by the NSW government 'to encourage and facilitate the development of rural land-sharing communities committed to environmentally sensitive and sustainable land use practices.' SEPP 15 was designed to provide an opportunity for people to collectively own and manage a single allotment of land. It permits private possession of a home for use as the principal place of residence (preferably within a cluster) but prohibits subdivision, strata title or any other separate land title.

Whilst SEPP 15 has been repealed, its provisions have been incorporated into the Port Stephens Local Environmental Plan 2013 (and other local environmental plans) by SEPP (Policy Integration and Repeals 2016, which now applies to rural land-sharing communities. For further information on the current provisions, search State Environmental Planning Policy (Policy Integration and Repeals) 2016 in your search engine or go to(<https://legislation.nsw.gov.au/#/view/EPL/2016/310/full>).

#### 6.5. Infrastructure

The property includes a simple renovated older style farmhouse with four bedrooms and large living areas, multiple water tanks and solar power to the grid. Outbuildings include a large modern shed, cattle yards, poultry run, community area and an old barn. The property was previously operated as a beef cattle enterprise, with multiple deep dams, a driveway and internal fencing. All driveways are gravel. Seventy percent of the fencing is in good condition. A residential village has been established with construction of houses underway. A village greywater system has been completed and a black waste disposal area has been established.

#### 6.6. Servicing Considerations

The property is serviced by Port Stephens Council for waste collection. We are aiming for zero waste to landfill.

The property is outside Port Stephens Council's water and sewer service area. The development will be self-sufficient with regard to utilities, utilising off grid solar power, rainwater harvesting and greywater recycling systems. When necessary, residents will be required to purchase their own bulk delivered water to supplement their own water catchment resources.

##### 6.6.1 On-site Water Disposal

The method of treating all liquid and solid waste produced on the property is identified within the development design, such that there is minimal environmental impact and on-site water disposal will have a neutral or beneficial impact on the property. Department of Health approved composting toilets and grey water plumbing will be implemented in accordance with council regulations. Residents will be required to ensure that all products that enter the greywater, blackwater and black waste systems are compliant with the environmental requirements of the company.

##### 6.6.2 Water Supply

It is recommended that individual houses install 40,000L of rainwater storage of which 10,000L is to be reserved for firefighting. The eight existing dams on the property will be for farming activities, reserves for firefighting, as well as recreation. Approximately one large dam (of the eight) in full capacity will supply the 10ML per annum allowable for use as 'Maximum Water Harvesting Rights' (under the NSW Office of Water) in agricultural activities on the farm. All dams comply with NSW Office of Water legislation and regulations.

### 6.6.3 Telephone and Internet

Internet access is via Telstra Mobile Broadband. We do not have plans for landlines to individual homes but there is a landline to the original homestead.

## 7. Company structure and Management

Our organisation is a company with clauses in the constitution that make it a not for profit entity: any profits made by the company cannot be distributed to members. The company is managed by a Board of Directors, elected by shareholders at the AGM.

Members have one vote per shareholding: votes are counted on membership, not the amount of the shareholding and not the number of members in a family. The Board is responsible for the company and holds the legal decision-making responsibility.

### 7.1. The Board

The directors are not paid in their role as directors. Responsibilities of the board are described in the Constitution.

The Board may engage external directors (non-members) in a paid role to provide specialised services if required.

The names and experience of the current directors are:

**Annette Tubnor** - Annette has 25 years' experience as a senior manager in a community organisation working with families with children in their care, implementing Board direction. Annette had over 10 years' experience on the Board of Directors of Family Services NSW, five of these years as treasurer. She has served on a considerable number of other boards over the years. She has a Bachelor of Science and a Certificate IV in Accounting. She has recently retired.

**Helen Morrison** – Helen has over 12 years' experience working as a project officer in local government. Prior to that Helen had 13 years' experience as a small business owner. Currently working in sustainability in local government, Helen consistently supports ways to reduce our negative impact on the environment in local communities and in her personal life.

Helen has had experience as a Councillor on the Chamber of Commerce ACT, as President of a local business association and President of a local arts funding organisation during her years as a small business owner.

**Karon Lindner** – Karon has 15 years' experience working in the public sector. This has included administration of large grant funding programs, overseeing the heritage management of local ACT state heritage sites: including natural, built and Aboriginal heritage. She has worked with disadvantaged communities on non-government and local government projects and has board member experience with local community initiatives such as community centres and grass roots political lobby groups. She has a Bachelor of Applied Sciences in Health Promotion (community development) and a Bachelor of Education (Primary). Karon has worked as a teacher for 14 years and currently works full-time in a local state primary school.

**Sally Maguire** – Sally has been a journalist for more than 20 years. She has worked in Australia and overseas as well as travelled extensively for her career. Sally has also worked in politics, corporate affairs and public relations. Sally and her husband currently have their own media and production company. She grew up on five acres, surrounded by animals and bushland. She is trained as a Montessori teaching assistant.

**Wendy Butler** – Wendy grew up on a small farm in Brisbane and from a young age has been interested in environmental sustainability issues. Wendy has worked in a broad cross-section of corporate entity structures both government and not-for-profit. Most of Wendy's governance and management experience over a 23-year period relates to the establishment and running of an

independent school in Queensland. Positions included Management Committee member, Chairperson, School Facilitator.

### 7.2. Decision making

Decision making regarding company business is described in the constitution. The Board is the body legally responsible for the company and holds final decision-making authority. However, directors are informed by a commitment to consultative decision making. The company's management model means that there is a wide range of decision making that can happen without the involvement of directors. This occurs through the delegation of authority, from time to time, to various groups and individuals.

### 7.3. Community Management

Community management is described in the Community Management Statement. This document sets out how the vision and objectives will be fulfilled from both a company management perspective and how we will fulfil our compliance obligations under SEPP 15 with regard to:

- Water management
- Waste management
- Prevention, control and management of soil erosion
- Bushfire prevention and management
- Flora and fauna management, including the control of noxious weeds and noxious animals
- Provision and maintenance of internal roads, boundary fences, water reticulation and similar matters

The Community Management Statement contains important information regarding shared community resources, community living, building and infrastructure, landscaping, environment and farming and the keeping of domestic and farm animals. It should be consulted before making any final decision regarding an application to join.

### 7.4. Community Working Groups

The community working groups execute the Community Management Statement, under the guidance of the Board. There are currently four working groups: Cultural, Farming and Environment, Infrastructure, and Business. All community members over 15 years old are expected to engage in suitable, capacity related, community activities of one or two of these groups for at least 5 hours per month.

There will be one member of the board connected to each group to facilitate communication between groups and board and across the community.

Working groups are responsible for the following types of activities:

- Maintaining group focus and strategies to meet company needs that are group specific; managing member work contributions; recording participation, keeping the vision and objectives of the company at the forefront of our thinking and actions.
- In conjunction with the Board, developing, administering and upholding the Community Management Statement;
- Reporting and interacting with the Board;
- Maintaining appropriate documentation such as minutes of meetings.

### 7.5. Task Groups

From time to time, task groups are established by the Board, typically for short term projects. The responsibilities of such groups are described in Task Agreements.

## 7.6. Dispute Resolution

Shepherds Ground has a procedure for resolving conflicts. It is noted that the parties are required to meet their own costs for conflict resolution.

Dissent is a natural and healthy aspect of vibrant communities. This can lead to conflict in the community as it can in all human relationships. Our community supports the use of non-violent communication and, in the early stages of our developing community, engaged in workshops to foster good harmony. The community is formed with some basic beliefs about conflict:

- Conflict, if it is handled well, can be a source of creative solutions and strengthened relationships
- Dissent is welcomed as a part of a vibrant and growing community
- Consultative decision-making processes enhance community wellbeing
- The need for formal dispute resolution processes is reduced if all members take responsibility for developing an ethic of neighbourliness which includes open communication, trustworthiness and responsibility for self and the impact of self on others
- Formal conflict resolution processes are most likely to be successful if they are initiated early and in good faith

The conflict resolution process will be three tiered:

- The two parties engage in an internal conflict resolution process with a third member of the community as a facilitator.
- If this is not successful, the two parties will participate at their own expense in externally mediated conflict resolution.
- If this is not effective a grievance committee (established by the board of directors) will meet to make a ruling about the dispute.

## 8. Risks

The company, like any entity, is subject to risks. In this case the risks would be:

- failure to raise further funds to repay peer to peer loans,
- natural disasters,
- intractable internal conflicts and
- slow transfer of shares, in the case of no incoming members.

### 8.1. Insurance

Shepherds Ground is insured as follows:

Type	Amount	Insurer
Public liability	\$20,000,000	Insurance Australia Ltd
Volunteers	\$1,000,000	Dual Australia Ltd
Directors & company	\$1,000,000	AIG Ltd

### 8.2. Winding Up

In the event of dissolution of the company, any property that remains after the satisfaction of all debt, liabilities and repayment of paid up equity in shares shall be distributed to another organisation, or entity, with similar aims and objectives. No surpluses are distributed to members at

any time. Note that individual houses are the property of the shareholder and thus are the responsibility of the shareholder to sell if this situation were to arise.

## 9. Financial Management

The financial year of the company is from 1st July to 30th June. Members receive an annual budget and quarterly accounts of income and expenditure. Annual financial statements are prepared by an independent auditor. **Kirsty Porteus** from DFK Crosbie, carries out financial reviews and audits, as and when required.

Details of the surplus/deficit in the annual accounts for the last three financial years:

Financial year ending	Amount
2018/2019	\$17637 surplus
2017/18	\$21561 surplus
2016/17	\$38991 deficit

There are no mortgages, liens or other charges on or over the land.

Members have played a significant role in financing the development of Shepherds Ground through personal unsecured loans to the Company. In future such loans may also be sought to further the development.

### 9.1. Debt to Equity Ratios

The current debt to equity ratio is 30%.

## 10. Financial Obligations of Members

### 10.1. Minimum Shareholding

In addition to the member share (which entitles the member to vote at general meetings), all new members must hold a minimum of 108,000 (one hundred and eight thousand) ordinary shares in order to have the right to one of the designated house sites.

### 10.2. Member Levies

An annual levy is charged to each member household to cover budgeted expenses and ensure the company's ongoing viability. Currently this levy is of the order of \$2500 for a household. Member levies are due on the 1<sup>st</sup> July of each year and may be paid in instalments. The levy is determined by the Board (in accordance with the Rules) and published to the members.

At the time of joining, a pro-rata amount is payable proportional to the remainder of the financial year.

### 10.3. Housing Costs

At the time the house is to be built members will be required to have adequate funds to complete their build.

The shareholder is responsible for all housing costs including installation and maintenance of their own water tanks, stand-alone solar system, connection to the grey water system, composting toilet, internet and phone services, surveys and landscaping.

Housing costs include a share of the Section 94 levy that is imposed on the development by Council (approximately \$7000 per household is payable to Council prior to the issuing of Construction Consent)

#### 10.4. Failure to pay for Shares

A shareholder who has failed to pay the full outstanding amount upon receipt of a request to pay, must pay interest on that outstanding sum, until paid, at a rate determined by the Board of the company. The Board has discretion to waive interest. If the call is still not paid then according to the Rules in the Constitution, the member ceases to have valid membership.

## 11. Home building and ownership

Location of the site allocated to a member will be at the discretion of the Board but is based on a list created by the order in which shareholders fully pay for their allotted shares. The housing site and zone of influence is based on the council approved masterplan and any changes will be at the discretion of the Board. There is no legal right to a house site until a Licence Agreement has been signed by both the member and the company.

### 11.1. Build Code

The Build Code sets out the construction standards and materials and principles to be followed. Houses should blend into the natural and built environment and be best practice solar design with heating and cooling coming primarily from a combination of effective insulation and ventilation, well-planned mass and appropriate landscaping. When choosing materials, consideration should be given to:

- Embodied energy
- Durability
- Thermal and insulation properties
- Toxicity
- Outside colouring of buildings

### 11.2. Rights and responsibilities of home building and ownership

Each member is required to enter into a Licence Agreement to occupy a village housing site. The member will then be responsible for the construction of the house within the specified guidelines of the company including within the identified footprint (See Build Code and Master Plan). When the house is completed, the member receives a 99-year Licence to occupy the site.

The member will own and be responsible for the house. However, the company owns the land. The member is responsible for maintaining the designated area of land around their home (a 'zone of influence').

If the member decides to exit the company (and therefore their house) they will be able to sell their shares and transfer their Licence to a prospective member who is acceptable to the board. The shares are transferred to the new member at a price that is no greater than their face value. The house is sold for its market value to the prospective member. If there are no eligible members waiting to buy into Shepherds Ground, it is the individual member's responsibility to advertise and find a suitable member to purchase their shares and house.

Any potential purchaser must be accepted by the company as a suitable member prior to the sale.

The total funds receivable on exit will be made up of the price of shares (maximum is equal to the price paid at time of entry to the company), and the negotiated value of the house.

Please note that the company has no obligation to buy member or ordinary shares when a member wishes to sell. It is the shareholder's responsibility to sell their shares, if there are no eligible applicants waiting for membership.

## 12. Rights and Liabilities Attached to Membership

### 12.1. Nature of Shares

A share in the company is personal property.

Membership may be transferred to an administrator, trustee in bankruptcy or executor appointed under a law of state or territory. To administer the estate of the member the administrator must be registered as the holder of a share. They must fulfil the active membership requirements and intend to live in the house. Otherwise the shares and house must be sold.

### 12.2. The Right to Vote

Each membership receives one vote regardless of the number of shares held. Only active members are eligible to vote. Joint memberships hold only one vote. In the case of a disagreement between joint members, the first name on the membership register holds the vote.

### 12.3. Liability of Members

A member is not under any personal financial liability to the company, except for any debts owing by that member to the company.

### 12.4. Active Membership

All members are expected to:

- Participate in at least one and not more than two of the Community Working Groups. Participation means at least 5 hours per month active participation in the activities of the group or other activities or tasks as agreed by the Board. All household members over the age of 15 must contribute 5 hours of active participation each month. Hours and activities will be recorded in a company database.
- Participate in appropriate learning opportunities provided by the company.
- Pay all fees, annual subscriptions and any other charges deemed necessary and payable to the company by their due date.
- Attend or provide a proxy for at least 50% of General Meetings held by the company in a year.
- Regularly attend Member Gatherings
- Comply with the Rules and Community Management Statement of the company and any agreements with the company.

### 12.5. Inactive Members

Failure to maintain active membership may result in forfeiture of shares. If a member does not conform to the requirements of Active Membership provisions for a period of 12 months, the board has the right to give notice of the Board's intention to declare the membership of the member cancelled. If the Member does not become active within a reasonable period from that notice, or notify the board of an intention to sell, the Membership can be cancelled, and the shares forfeited. Note that all outstanding levies or fees must be paid before shares can be transferred. There may be special exemption on consideration of health and infirmity. This clause would only be invoked when all other means of encouraging active membership had been exhausted.

## 12.6. Repurchase of Shares

The company is never obliged to buy back a member's shares. The member is responsible for the selling of their shares, either to a known person, waiting to become a member, who has been deemed eligible to join or by advertising on the open market, with purchase being subject to Board approval

## 12.7. Forfeiture of Shares

Where membership is being cancelled under the active membership provisions, the Board must declare that the shares of the member are forfeited as at the date of cancellation of membership.

# 13. To Make an Application

For the Board to consider a person's application for membership, the person must:

- 1) Have attended social activities to get to know members and attended at least two member gatherings and two community working group meetings
- 2) Provide, properly completed documentation:
  - a) An 'Expression of Interest & Intention to Join' letter (See 0). A separate Letter is required for each person, where there will be joint membership.
- 2) Pay a \$2000 application fee. Note that this fee can only be refunded if the Board does not accept the application. It is not refunded if an applicant changes their mind.
- 3) Demonstrate that they have:
  - a) A strong interest and/or involvement in organic or bio-dynamic farming and community land practices or developments;
  - b) A strong commitment to and encouragement of primary production in the community;
  - c) Qualities, skills, attributes or resources that will be valuable to the community
  - d) A contributing, doing, giving ethos
- 5) Subscribe for a minimum of 108,000 (one hundred and eight thousand) ordinary shares at \$1.00 per share and one Member share at \$10,000.

For the Board to approve an application for membership, the Board must:

1. Be satisfied that there are reasonable grounds to believe that the person will be an active and contributing member of the company
2. Have received the relevant completed documentation described above.
3. Be satisfied that the person will be able to meet the necessary financial requirements
4. Check references
5. Ensure that existing members have been consulted

## 13.1. Following approval

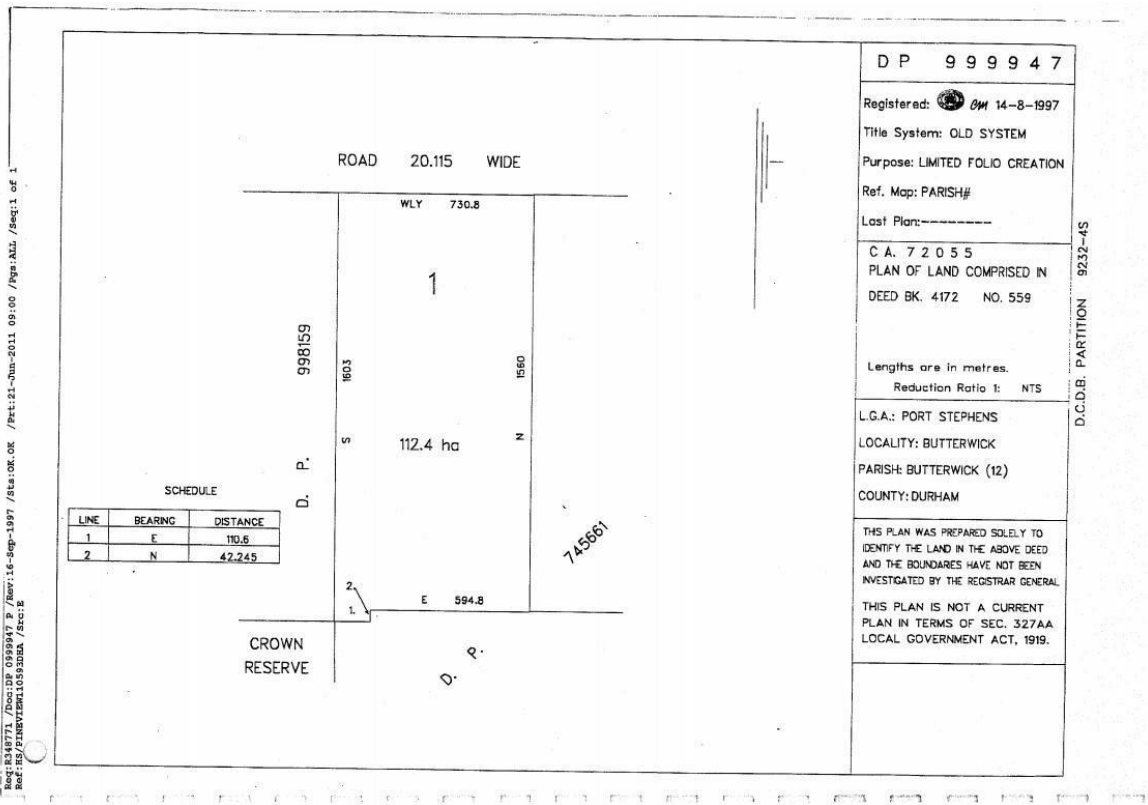
If you apply for membership and your application is accepted by the Board, the Board will issue you with shares in the company and require that you sign a Disclosure Statement, Membership Agreement Form and a Licence Agreement.

A share certificate will be then issued.

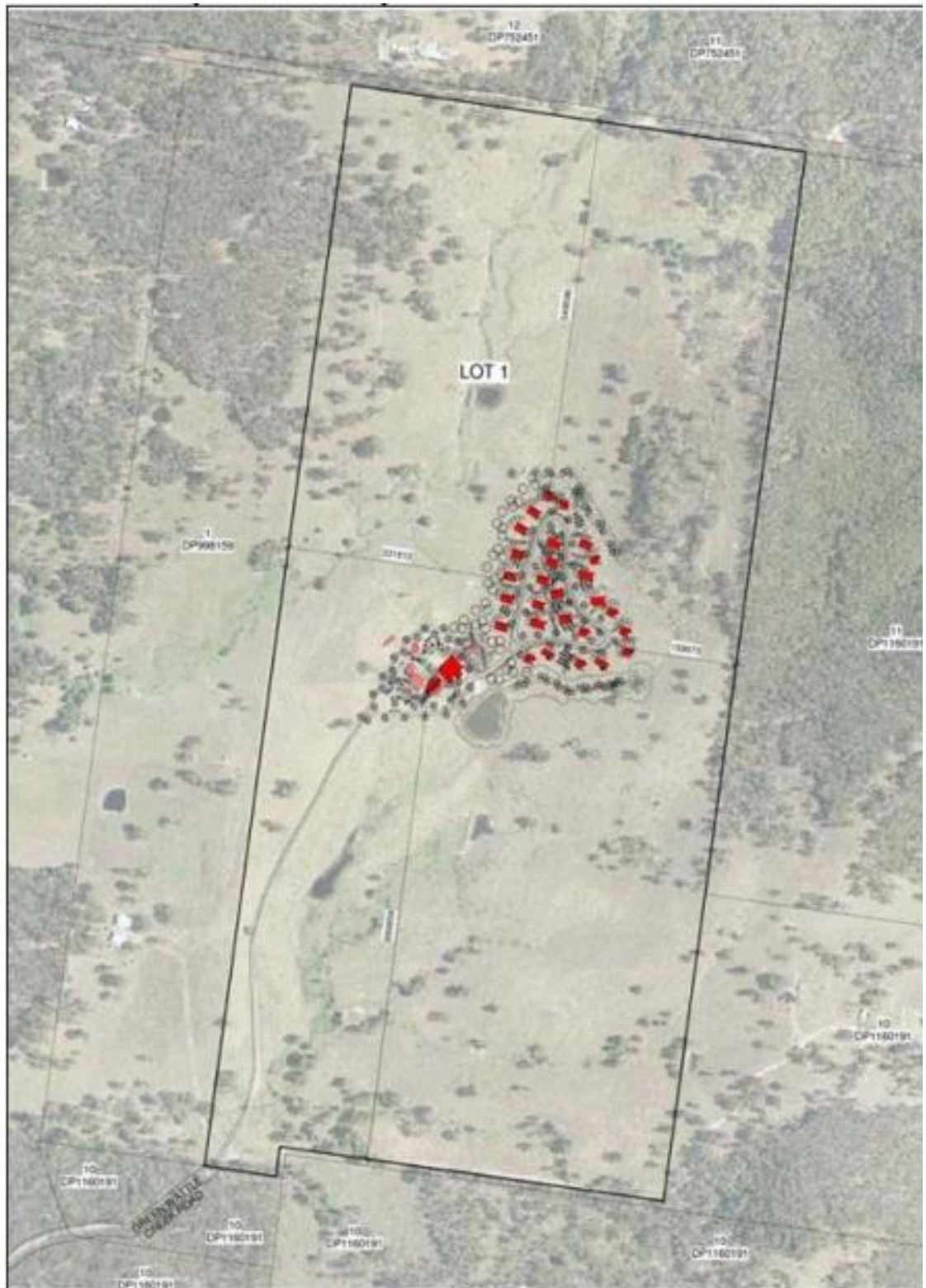
If the application is for joint membership, please note that everyone within the joint membership has joint and several liability to pay the outstanding balance on the issued shares.



● Appendix A: DP 999947



- Appendix B: Village location relative to site boundaries



# Appendix C: Location of village hub and housing footprints



# Appendix A: Expression of Interest and Intention to Join

This is the document that you will need to complete to apply to become a member.

## EXPRESSION OF INTEREST AND INTENTION TO JOIN

### SHEPHERDS GROUND PTY LTD



Full Name: .....

Residential Address: .....

.....

Phone: ..... Mobile: ..... Email: .....

Date of birth: ..... Occupation: ..... Qualifications: .....

(Note: Please feel free to attach extra pages if there is insufficient space on the form to write your response to questions)

Your background: .....

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Reason for seeking to join Shepherds Ground Pty Ltd: .....

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Describe skills/attributes/values that you intend to contribute to Shepherds Ground community:

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Provide evidence of your commitment to socially aware community living: .....

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Community Working Groups that you wish to join (at least 1, no more than 2):

Number in order of preference:

Farm & Environment	Building & Infrastructure	Business	Social

Names and contact details of two referees who could speak to your attributes that would support a community such as Shepherds Ground

	Referee 1	Referee 2
Name		
Mobile		
Email		

Signature: ..... Date: .....

- Appendix E: Membership Agreement

This is the document that you will need to complete once your application has been approved and before becoming a member.

## SHEPHERDS GROUND PTY LTD



### Membership Agreement

<b>Your name/s:</b>	
<b>Current Postal address:</b>	
<b>Current Street address:</b>	
<b>Mobile Phone:</b>	
<b>Email Address:</b>	

I/We have been supplied with and read the company Constitution, Information Statement V4\_00, Disclosure Statement and the Community Management Statement. Furthermore, we have been given access to all other documentation listed in the Information Statement.

I/We hereby accept admittance as a member of the company and the issue of one Member Share and 108,000 ordinary shares.

I/we agree that I/we will pay all charges required by the company, including full nominal value of the minimum share capital required, relevant development contribution fees in respect of the site that we are allocated, associated infrastructure costs and any regular subscriptions and fees or other charges payable.

I/we further agree to be bound by the Rules of the company and by any alterations thereof registered in accordance with the Corporations Act, together with the Community Management Statement and all related policies or procedures.

I/we confirm that we intend to acquire a Licence Agreement to reside on Shepherds Ground and intend to construct a dwelling on our allocated site at our cost.

I/we confirm that we have never been charged with or convicted of committing any crimes of violence.

I/we agree that my/our contact details may be circulated to all other members of the company.

I/we are over the age of eighteen years.

\_\_\_\_\_ Witness \_\_\_\_\_

\_\_\_\_\_ Witness \_\_\_\_\_

Signature of Applicant/s

Dated \_\_\_\_\_